

Office of Management and Budget

Purchasing

August 1, 2015

Policy 300 - Purchasing Card

- The State has authorized the use of a purchasing card for individual transactions. Use of the purchasing card does not exempt the agency or its employees from the purchasing/procurement requirements of the State of North Dakota.
- Even though a purchasing card is issued in an employee's name, it is considered the property of the State of North Dakota and must be used only for State business. Failure to use the purchasing card in accordance with applicable policies and procedures may result in revocation of the purchasing card and may involve appropriate disciplinary action, up to and including termination and prosecution.
- To ensure the adequacy of internal control surrounding agency purchasing card programs, the agency purchasing card administrator or authorized signer(s) will not be a cardholder. If an agency size or other constraints make this unfeasible, OMB may assume card maintenance duties for an agency. Contact OMB for more information regarding card maintenance.
- **The state IS NOT responsible for issuing 1099s for the purchases made with a purchasing card.** The purchasing card can be used for all 1099 reportable purchases. The state is responsible for issuing a 1099 for reportable expenses paid by any other means. In other words, if a 1099 reportable purchase is **not** made with a purchasing card, the state is responsible for issuing a 1099 for those purchases.
- The purchasing card can be used for all reimbursable travel expenses except meals. Travel must be for official business for the State of ND. Under no circumstances should the card be used for personal purchases. Allowable types of travel expenses are:
 - Conference registration fees
 - Airlines tickets;
 - All lodging costs; and
 - All ground-related transportation costs.

Any personal expenses are the responsibility of the employee and should not be charged to the purchasing card.

- Reconciliation Process –
 - After cardholders have reconciled their receipts to their monthly statement, they will sign it and submit it to their supervisor for review and approval.
 - The supervisor will sign the cardholder's statement certifying that the purchases were made for the use of state business and that they comply with appropriate procurement rules and regulations. Cardholder statements and original receipts must be submitted to the agency Card Administrator and maintained on file.
 - Card Administrators should run an agency statement with the State's current card provider and reconcile it to the individual statements. They should sign the agency statement denoting reconciliation.

NOTE: ALL POLITICAL SUBDIVISIONS ARE ELIGIBLE TO PARTICIPATE IN THE STATE'S PURCHASING CARD PROGRAM. CONTACT OMB-FISCAL MANAGEMENT AT 701-328-4936.